

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

**CODE OF VIRGINIA
§ 45.1-361.26**

BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF SOUGHT: An Order for Disbursement of Escrowed Funds**JURISDICTION:** *Code of Virginia* § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)

UNIT/WELL NAME: VC-2978
 TRACT(S): Tract 3
 LOCATION: Dickenson County, Virginia
 Tax Map No: Exhibit E

DOCKET NUMBER: VGOB-98-0721-0673-01**APPLICANTS:** EQT Production Company on behalf of Martha Musick and Range Resources, PMI.**HEARING DATE AND LOCATION:** Russell County Government Center, Lebanon, Virginia
July 17, 2012**APPEARANCES:** Jim Kaiser on behalf of EQT and Sharon M.B. Pigeon, Sr. Assistant Attorney General representing the Virginia Gas and Oil Board.**PRIOR PROCEEDINGS:**

1. Original Pooling Order Executed 08/10/98, Recorded 09/11/98, Deed Book 337
2. Supplemental Order Executed 12/08/98, Recorded 12/17/98, Deed Book 341

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the July 17, 2012 hearing and consider whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract 3 for the parties identified in the attached miscellaneous petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract 3 relative to the interests of the Applicants identified in the attached miscellaneous petition.
- (3) Close the escrow account under this docket number.

FINDINGS: *Code of Virginia* § 45.1-361.22

Applicant has certified and represented to the Board that:

1. The owner of the coal estate for Tract 3 is Range Resources –Pine Mountain for the subject drilling unit.
2. The owner of the gas estate being disbursed for Tract 3 is Martha Musick for the subject drilling unit..

3. EQT waives claim to all past or future royalties to the claims of Martha Musick in Tract 3 for the subject drilling unit.

RELIEF GRANTED:

VGOB Approved Disbursement VC-2978 VGOB 98-0721-0673-01				Fractional Ownership in Tract	Net Acreage Ownership in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed
Table 1, Tract3								
Item	Tract	Disbursement Table						
		Total acreage in escrow before disbursement					4.6700000	
	3	Tract 3 (total acreage)		4.67				
1	3	Martha Musick	Route 2 Box 310-A, Cedar Bluff, VA 24609	unknown	4.6700	100.0%	4.6700	100.0000%

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.

2. The Escrow Agent is ordered to CLOSE the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted **and IT IS SO ORDERED.**

APPEALS:

Appeals of this Order are governed by the provisions of the *Code of Virginia* § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

Effective Date:

This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 17 day of July, 2012, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert
Bradley C. Lambert, Chairman
Virginia Gas and Oil Board

DONE AND PERFORMED this 17th day of July, 2012 BY Order of the Virginia Gas and Oil Board.

Rick Cooper
Rick Cooper, Principal Executive to the Staff
Virginia Gas and Oil Board

**COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL)**

Acknowledged on this 17th day of July, 2012, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and Rick Cooper, being duly sworn did depose and say that he is Acting Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and were authorized to do so.

Diane J. Davis
Diane J. Davis, Notary Public #174394

My commission expires: 09/30/2013



VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: EQT Production Company on behalf of Martha Musick.

DOCKET NUMBER: VGOB 98/07/21-0673-01

RELIEF SOUGHT: Supplemental Order for Disbursement of Escrowed Funds on behalf of Martha Musick.

LEGAL DESCRIPTIONS: Drilling Unit Number VC-2978 created by Board Order Dated August 4, 1998, VGOB 98/07/21-0673 in Dickenson County, Virginia.

HEARING DATE: July 17, 2012

MISCELLANEOUS PETITION

1. Party: Applicant herein is, Martha Musick (hereinafter "Plaintiff"), whose address is 688 Arrowhead Circle, Cedar Bluff, VA 24609-8282.
2. Facts:
 - a. Equitable was designated as the Operator and Applicants interests were Pooled in the VC-2978 Unit by Order of the Virginia Gas and Oil Board (hereinafter "Board") executed on August 4, 1998, pursuant to Docket No. VGOB 98/07/21-0673 and recorded in the Circuit Court Clerk's Office Dickenson County, Virginia on August 11, 1998, Book 337 Page 702 (hereinafter "Order").
 - b. The Order and Supplemental Order required the Escrow Agent named and appointed therein to establish an interest-bearing escrow account for funds pertaining to the above-referenced Unit and subject to escrow pursuant to the terms of the Order.
 - c. The Order and Supplemental Order further required the Operator to deposit bonus and royalty payments with the Escrow agent which could not be made because the person(s) entitled hereto could not be made certain due to conflicting claims of ownership.
 - d. Range Resources-Pine Mountain, Inc. was a conflicting claimant with the above-listed Plaintiff with regard to **Tract 3** as created by Board Order as VGOB 98/07/21/0673 is the applicable Tract.
 - e. To resolve this conflict, a Letter dated June 7, 2012, signed Phil Horn, Land Manager of Range Resources-Pine Mountain, Inc. is attached hereto and incorporated herein as Exhibit "A".

- f. The amounts deposited with the Escrow Agent regarding the Unit need to be determined and distributed accordingly.
- g. Any escrow amount, not yet deposited into the escrow account, held by Operator should also be determined, and distributed to Applicant/Plaintiff herein, accordingly.
- h. Applicant/Plaintiff herein does hereby request that the Board enter amended supplemental order for the Unit directing the Escrow Agent and the Operator to disburse to the aforesaid Plaintiff the funds attributable to the previous conflicting claim with Pine Mountain, held in escrow for the VGOB number as listed above.
 - 1. The Applicant certifies that the matters set forth in the application, to the best of her knowledge, information, and belief, are true and correct and that the form and content of the Application and conform to the requirements of relevant Board regulations and orders.
 - 2. Legal Authority: Va Code Ann. §45.1-361.1 et seq., 4 VAC 25-160, and such other regulations and Board orders promulgated pursuant to law.
 - 3. Relief Sought: Applicant requests that the Board issue amended supplement order amending all prior orders affecting the Unit which amended supplement order will provide as follows:
 - a. Determining the amount of funds attributable to the Applicants/Plaintiffs herein.
 - b. Directing the Escrow Agent to determine the amount of funds attributable to Applicant/Plaintiff herein, provide an accounting hereof, and disburse the funds on deposit with the Escrow Agent, including any applicable interest, pertaining to the interest in the Unit shown above for distribution.
 - c. Directing the Operator to determine the amount of funds attributable to the Applicant/Plaintiff herein, provide an accounting thereof, and disburse the units in its hands, if any, subject to escrow but not then on deposit with the Escrow Agent, including any applicable interest, at the time of the Supplemental Order requested therein is executed, attributable to the Applicant/Plaintiff herein for distribution.
 - d. Directing the Operator to disburse the funds, including any applicable interest, and provide an accounting thereof, which it may receive after the date of the execution of the amended supplemental order requested in the Application, if any, attributable to the Applicant/Plaintiff herein, and to discontinue the payment of such funds into Escrow.

- e. Granting such other relief as is merited by the evidence and is just and equitable whether or not such relief has been specifically requested herein.

Dated this 15th day of June, 2012.

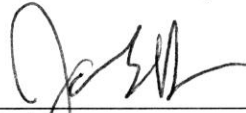
By:  _____

Petitioner

Address: Wilhoit & Kaiser
220 Broad St, Ste. 301
Kingsport, TN 37660

CERTIFICATE

The foregoing application to the best of my knowledge, information and belief is true and correct. Notice was given pursuant to Va. Code Ann. §45.1-361.19.



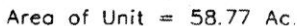
Petitioner

Amount from 04/2012 First Bank Summary | \$19,379.51

		VGOB 98/07/21-0673 VC-702978	Acreage Interest Disbursed	Split Agreement	Escrowed Acres Total	% of Escrowed Funds	Disbursement \$
Item	Tract	Disbursement Table					
		Totals			4.67		
1	3	Martha Musick	4.67	100%	4.67	100.000000%	\$19,379.51

BK 500 PG 39
 COORDINATES.

Ls. # 241577L
 Reba Counts, et al.
 163 Ac.
 Surface, Coal, Oil + Gas
 Gas 6.56 Ac., 11.16%



COMPANY Equitable Resources Energy Co. WELL NAME AND NO. VC-2978
TRACT NO. T-261 ELEVATION: 2060.48 (Trig) QUADRANGLE: Nora, VA
COUNTY: Dickenson DISTRICT: Ervinton SCALE: 1"=400' DATE: 6/3/98
This plat is a new plat X; an updated plat____; or a final location plat____
+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and the longitude lines being represented by border lines as shown

Dale Farnsworth

Hagy, Sharon (DMME)

From: VITASHARE System [vitashare@vita.virginia.gov]
Sent: Thursday, September 27, 2012 9:41 AM
To: Hagy, Sharon (DMME)
Subject: New Transaction GCSG2RH3006OPUVD-0007

Transaction details for Sharon Hagy(user shagy_1) _____

Job Id: GCSG2RH3006OPUVD-0007

Date: Thu, Sep 27, at 09:41

Transaction Details:

Acknowledge Security Policy: I understand that this system is not intended for sensitive data.

Recipient's Email example- user1@virginia.gov, user2@virginia.gov: dldavis@firstbank.com, gloria.clark@dmme.virginia.gov, KKenny@eqt.com, KShannon@eqt.com, mbarbour@eqt.com, mroyster@eqt.com, NAtkison@eqt.com, sep@wilhoitandkaiser.com

Message - Describe file attachment: Please see the recorded disbursement orders for docket #'s: 0673-01 0814-01 1283-02 (Please pay out first) and, 1283-03 Let me know if you are unable to download the files. Thank you, Sharon sharon.hagy@dmme.virginia.gov

Notify me when the file is downloaded?: Yes

Pin: 455404

Files:

0673-01_Disbursement.tif
0814-01_Disbursement.tif
1283-02_Disbursement.tif
1283-03_Disbursement.tif

View details here

<<http://vitashare.vita.virginia.gov/fcweb/viewJobLink.do?JOBIDX=GCSG2RH3006OPUVD>>

Total Estimated File Size: 929 KB

Total Number of Files: 4

Estimated Upload Time: 00:01:10



8000673 - VC2978

Trade Date 10/04/2012

Settlement Date 10/04/2012

Time Modified 10/03/2012

Description VGOB Docket # 98-0721-0673-01
Well: VC-2978 Tract 3

Payee Martha Musick

FBO Martha Musick

Tax Year 2012

Transaction Type Distribution Per Virginia Gas & Oil Board

Check Number 30938

Gross Distribution \$19,397.69

Less:

Net Distribution \$19,397.69

8000673 - VC2978

Trade Date 10/04/2012

Settlement Date 10/04/2012

Time Modified 10/03/2012

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Less:

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THIS DOCUMENT HAS A MULTI-COLORED FACE THAT CHANGES COLOR GRADUALLY.

SEE LIST OF SECURITY FEATURES ON THE BACK. DO NOT CASH UNLESS ALL ARE PRESENT.



TRUST DIVISION
38 E VALLEY DRIVE
BRISTOL, VA 24201
(866) 505-1496

10/04/2012

68-446
514

CHECK
NO. 030938

8000673 - VC2978

\$19,397.69

Nineteen thousand three hundred ninety seven and 69/100

Dollars

PAY TO THE ORDER OF

MARTHA MUSICK
688 ARROWHEAD CIRCLE
CEDAR BLUFF VA 24609

⑈030938⑈ ⑆051404464⑆ 2001 004 7⑈